



COMMITTEE REPORT

Committee: Finance Committee

Meeting Date: September 25, 2017

Present: R. Bow (Chair), J. Byerrum, P. DiMaggio, D. Michalko and L. Noriega

Staff & Others Present: T. Zampielo, L. Artis, K. Gardner and T. Henton

I. Review of Draft Audit Report for Fiscal Year 2016-17

Tony Zampielo, Executive Officer, introduced Ms. Tina Henton, with the accounting firm of CliftonLarsonAllen (CLA), to discuss the highlights of the Watermaster Draft Audit Report. Ms. Henton reviewed the audit communication letter and financials, stating that Watermaster is operating well within the established financial standards.

Ms. Henton then stated that the Watermaster Audit and Management Report have been prepared as an unmodified opinion to ensure that the agency's financial reporting was of the highest level without material misstatements. She then reviewed the management analysis in the audit report; discussing Watermaster's operating expenses and noting specific attention to Cyclic Storage Purchases.

Ms. Henton commended Lupe Artis, Controller, and Watermaster staff for their cooperation and flexibility in scheduling and delivering needed information. After a brief discussion of the members, the Committee recommended that this item be referred to Watermaster to receive and file.

COMMITTEE RECOMMENDATION: That Watermaster receive and file the draft audit report for FY 2016-17 as prepared by CLA.

III. Review of Cash Investment Policy

The Executive Officer discussed the existing Cash Investment Policy stating that it has been in place for many years. He stated that the policy establishes a set of comprehensive guidelines covering cash investments for Watermaster that are in line with Board objectives and acceptable levels of risk for specific types of investments, while maintaining cash available flexibility. Watermaster is required to review its Cash Investment Policy on an annual basis.

COMMITTEE RECOMMENDATION: That Watermaster reaffirm the Cash Investment Policy.